

105TH CONGRESS  
1ST SESSION

# S. 529

To amend the Internal Revenue Code of 1986 to exclude certain farm rental income from net earnings from self-employment if the taxpayer enters into a lease agreement relating to such income.

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## IN THE SENATE OF THE UNITED STATES

APRIL 9, 1997

Mr. GRASSLEY (for himself and Mr. GRAMS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude certain farm rental income from net earnings from self-employment if the taxpayer enters into a lease agreement relating to such income.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Farm Independence  
5 Act of 1997”.



1 **SEC. 2. LEASE AGREEMENT RELATING TO EXCLUSION OF**  
2 **CERTAIN FARM RENTAL INCOME FROM NET**  
3 **EARNINGS FROM SELF-EMPLOYMENT.**

4 (a) INTERNAL REVENUE CODE.—Section  
5 1402(a)(1)(A) of the Internal Revenue Code of 1986 (re-  
6 lating to net earnings from self-employment) is amended  
7 by striking “an arrangement” and inserting “a lease  
8 agreement”.

9 (b) SOCIAL SECURITY ACT.—Section 211(a)(1)(A) of  
10 the Social Security Act is amended by striking “an ar-  
11 rangement” and inserting “a lease agreement”.

12 (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to taxable years beginning after  
14 December 31, 1997.

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